PERFORMANCE BASED CONTRACTING TEMPLATE
SYSTEMS INTEGRATION

Desired Outcomes *(What do we want to accomplish as the end result of this contract?)*	Required Service *(What task must be accomplished to give us the desired result?)*	Performance Standard *(What should the standards for completeness, reliability, accuracy, timeliness, quality and/or cost be?)*	Monitoring Method *(How will we determine that success has been achieved?)*	Incentives/ Disincentives for Meeting or Not Meeting the Acceptable Quality Level *(What carrot or stick will best reward good performance or punish poor performance?)*
1) Operational parameters as set forth in the SOW and/or IT architecture standards are met.	Using the specified office suite/software load and hardware profile, system performance meets the requirements set forth in the contract.	Using a standard performance testing package, each desktop system installed performs at the levels stated in the SOW.	Inspect call logs for trouble calls. Review test results.	+/- 1% of total monthly price. Performance=actual availability/ target availability (16X5)
2) Components installed are compatible and interoperable.	Use of all hardware and software components on the network is seamless.	Average staffing levels shall not fall below 90% on any task order.	Invoices, reports, and other records will be reviewed to determine staffing levels on a monthly basis.	+/- .5% of total task order price, for each variance +/-5% (reflects positive and negative incentive) from standard.
3) Systems installed are reliable, available, and maintainable.	Requests for moves, adds, and/or changes shall be completed within 5 workdays after receipt of request.	98% of requests are completed within 5 workdays.	Random sampling of request for service (i.e., RISS) logs, completed work tickets, and customer interviews.	+/- 1% of total monthly price for each +/-1% variance from standard.
4) Systems installed allow for growth potential, both in terms of adding users and upgrading	Requests for service shall be efficiently logged and tracked, and the customer shall be notified as	98% of calls are resolved within same business day.	Trouble tracking system will be reviewed, noting how request arrived (e-mail, phone), time arrived,	+/- 1% of total monthly price for each variance of +/-1% variance from standard.

hardware and/or software.	to the expected completion time.		and date/time completed; random sampling of customers.	
5) Existing software, files, and/or databases are successfully transferred to the new system.	Data in existing files shall be transferred to the new system(s) with minimal loss of productivity and data.	95% of data transferred to new system suffers no conversion errors and is usable when new systems are made available.	User complaints/ trouble tracking will be reviewed, noting errors due to data conversion, improper software function, programming problems, and/or user inexperience.	+/- .5% of total monthly price for each variance of +/-.5% variance from standard.
6) Systems installed are easy to use, easy to learn, and add to user efficiency and customer satisfaction.	New hardware and/or software shall be installed with minimal downtime.	98% of systems installed operate properly, with no programming, installation or integration problems.	User complaints/ trouble tracking will be reviewed, noting system or software failures and/or problems; random sampling of customers.	+/- .5% of total monthly price for each variance of +/-.5% variance from standard.
7) Systems installed meet the specified security and vulnerability standards; system backup and disaster recovery plans comply with the SOW and PDD-63.	New systems/LANs shall protect information, provide system protection and shall be able to survive potential threats; the backup and recovery plans delivered are acceptable.	100% of systems tested meet all stated security requirements; no security breaches are detected.	Random system/network tests will be conducted using standard testing techniques.	For each percent less than 100, a corresponding amount of payment shall be withheld until compliance is achieved.